Sectt. II-27—20,006—16-11-40.

P. W. (1941) Department.

MS. SERIES.

G.O. No.	2130.
	2130
Dated	2-9-1941.

[Despatch Abstract.]

Electricity - Hospet Electric licences.
Accounts for 1939-40 - Recorded
with remarks.

(b) Paragraph 9 of the audit report for 1938-39. The audit fee of Rs.170-6-0 due for the year 1938-39 was not ~~circul-~~ credit-d to Provincial funds till the close of audit.

6. Utilisation of consumers deposits for general purposes.

In Resolution No.1207, dated the 31st January 1940 of the Council, a diversion of Rs.1,010/- from the Consumers Deposit account was sanctioned for the extension of street lights. It was stated that the procedure was adopted with reference to the provisions in G.O.No.1250, P.W.(Electricity), dated the 26th June 1937. From the Electrical Engineer's note dated the 26th February 1940 it was seen that the amount of Rs.1,010/- was proposed to be spent on six works for which estimates were not sanctioned by the Council. Materials were purchased on the authority of the above resolution but an appropriation account for this amount was not maintained and made available for audit. The terms of repayment and the rate of interest were also not specified in the resolution.

7. Consumers' deposits - discrepancies in accounting - investment &c. Read p 29 infra

(a) The Register of Deposits contained details only in respect of consumers' deposits which had not been invested. Thus the closing balance in the register under this head was only Rs.1,124-8-0 against Rs.3,323-12-0 which was the correct closing balance under this head. It was explained that the difference represented investments effected. The removal of items from the Register of Deposits for the reason that the amounts covered by them have been invested is irregular.

As interest is due to consumers on the deposits lodged by them early action would need to be taken to invest the sum of Rs.1,124-8-0 also.

(b) The following amounts relating to the consumers' deposits were invested or reinvested in the Hospet Co-operative Central Bank as detailed below on the dates noted against each.

	Amount. Rs.	A.	P.	Rate of interest.	Dates of investment and reinvestment.
(i)	505	0	0	2 per cent.	Invested on [illegible] and reinvested on [illegible].
(ii)	505	0	0	-do-	-do-
(iii)	1199	4	0	3 per cent.	Invested on [illegible]

Items (1) and (ii) were withdrawn on 14th February [illegible] to effect the diversion referred to in paragraph 6 above, with the result that no interest was earned for the period from 1-12-1939 to 13-2-1940. It was also not made clear why items (i) and (ii) were invested at lower rates of interest when a higher rate, namely, 3 per cent was also available on the date of investment.

(c) Under clause (6) of the form of agreement published in Annexure B to the booklet of conditions relating to the Electric Licence Scheme interest is payable at 3 per cent on consumers' deposits lodged with the licensee. It would need to be explained how the difference between this rate and 2 per cent which is the interest realised on a portion of the deposits invested is proposed to be met.

8. Service connections - Council's sanction not obtained.

Service connections are given by the Engineer with reference to the applications of the parties to the Commissioner. The sanction of the Council to the grant of service connections was not obtained.

9. Sanction of Contract Committee - not obtained.

(a) The [illegible] provides in connection [illegible]

:ant of service connections for bazaar shops and small houses
as entrusted to one R.Abdul Kareem Saheb whose quotations for
ie work were the lowest. The sanction of the Contract Committee
) the entrustment of the work to the above contractor was not
)tained. An agreement setting forth the conditions of contract
as also not obtained from him.

(b) A sum of Rs.364-8-0 was paid on voucher No.1178/3-1940, Ref) on p30
) Messrs.H.S.& Sons,Bellary,whose tender for the wiring of Muni-
.pal buildings was the lowest. But the sanction of the contract
)mmittee for entrusting the work to the above contractors was
)t pointed out.

10. Accounts and registers - not maintained. Though in Mi
aragraph 10 of the Audit Report for 1938-39 the omission to main- p 30
ain the following registers was pointed out no action was taken CE
) maintain them even during the year under audit.-

(1) Cash Day Book,
(2) Ledgers - Capital and Revenue,
(3) Wages analysis book,
(4) Journal.

11. Supply of energy to bazaar shops and small houses. Ref on p30 cf

Under clause (4) of Part II of the Booklet of conditions,
lat rates are allowed for energy supplied to shops in the bazaar
nd small houses on condition that the lights are burnt for not
ore than five hours daily. There was provision in the clause
or collection of charges at proportionately enhanced rates on
ccount of either increase in the waltage of the lamps or in
he number of hours used. It is not clear how the breach,if any,
f the above conditions could be detected in practice.

12. No.II - Capital Account. It is observed that all Ref p30 cf
tems of purchases of stores are debited to the head "10.F.
eneral Stores" instead of to a separate Suspense account the

unadjusted balance of which alone may appear in the Balance sheet. The practice of capitalising all 'Suspense' transactions would need to be modified.

(b) The cost of a copy of "Kemp's Engineers Year Book-1940) vis Rs.29-4-0 was debited to the Capital Account. As the cost of books cannot be capitalised the debit to capital is irregular.

13. No.III - Revenue Account.

Though in paragraph 8 (A) of the Audit Report it was pointed out that the Revenue account should include the income on account of energy sold in March also, the Revenue account for the year has been prepared without taking into account such income.

14. No.VII - General Balance Sheet.

(a) The loan of Rs.1,00,000/-obtained from Government was utilised for the repayment of the loan outstanding to Kurnool District Board. As repayment of loan is not a capital item, credit for the loan obtained should have been given in the Net Revenue Account instead of in the Capital Account. The omission to do so has now resulted in the increase of the deficit balance in the Net Revenue Account with a corresponding increase in the Capital receipts. The necessary credit in the Net Revenue Account may therefore be now afforded with a view to remove from the Balance Sheetm the cash balance noted under 'Assets' which is actually not available having been already utilised for the repayment of the loan.

(b) Though the interest due on consumers deposits was not paid during the year the liability on this account is not exhibited in the Balance Sheet. The amount due to be paid

would need to be shown in the Net Revenue Account and the liability exhibited in the Balance Sheet.

15. The general result of audit was satisfactory.

16. The gross receipts and charges of the year as seen from the transactions in the General Fund Account of the Municipality were Rs.24,122-9-7 and Rs.34,815-13-11,respectively.

17. The total number of objections pending settlement at the close of audit was twenty-three involving a sum of Rs.82-5-0 as detailed below.

Year.	No.of items.	Amount. Rs.	A.	P.
1934-38.	3.	82	5	0
1938-39.	2.	..		
1939-40.	18.	..		

B.B.Shanker Rao,
Dy.Examiner of Local Fund Accts.
Madras.

(True copy)

SUPERINTENDENT,
Office of the Examiner of
Local Fund Accounts,Madras.

HOSPET MUNICIPAL ELECTRIC LICENCE SCHEME

Accounts of the Hospet Municipal Electric Licence for the year ending 31-3-1940.

No.I statement of Loan authorised for the purposes of undertaking referred to above mentioned licence prior to the end of the year for which the accounts are made up.

Amount sanctioned and the nature of loan.	Amount borrowed	Amount repaid	Amount sanctioned but not borrowed.
I. Rs.1,10,000/- from the District Board Kurnool sanctioned by Government in G.O.No. 3928 L & M Ms. dated 4-10-32. ..	1,10,000	1,10,000	-Nil-
II. R.1,00,00/- at 3½% from the Government of Madras G.O.No. Ms. 3844 L.A., dated 28-9-38 payable in 20 equal instalments of Rs. 7036/- each. ..	1,00,000	Principal 3536/-	Nil-
III. Amount of loan from General Funds for Capital purposes G.O.No. 135 L.A., dated 10-1-1940 ..	4059- 5-4	Principal 696-5-0	-Nil-
IV Loan from Security deposit consumers Council resolution No.1207 dated 31-1-40 ..	1010/-		-Nil-

Sd.I. Raja Rao,
Commissioner.

Commissioner of Municipalities

(True copy)

R.Alagarelan
Senior clerk in charge of the office of the
District Inspector of Local
Fund Accounts, Bellary.

10/12/40

No.II CAPITAL ACCOUNT

For the year ending 31st March 1940 Dr.

	Expenditure upto the end of the previous year	Expenditure during the year	Total expenditure
1. To Preliminary expenses(to be specified)	3353- 4- 6	- - -	3353- 4- 6
2. To lands,including law charges incidental to acquisition	1599- 7- 0	- - -	1599- 7- 0
3. To value of lands appropriated for Electrical purposes,as per contra.	- - -	- - -	- - -
4. Buildings	15,078-6-11	- - -	15,078-6-11
5. To Plant	36,925-3-11	- - -	36,925-3-11
6. To Mains.	49,096-0- 1	935-12- 7	50,031-12-8
7. To service connections ..	2801-0- 8	1497-15- 3	4298- 15-11
8. To transformers etc. ..	- - -	- - -	- - -
9. To meters and fees for certifying under the act.	1680-1-11	387-13-2	2067- 15- 1
10. To general stores ..	2160-11-1	3769- 3-5	5929- 14- 6
11. To transfer to sinking fund of value of lands sold, as per contra.	- - -	- - -	- - -
12. To amount applied to ~~be~~ the reduction of principal of borrowed money from value of(2), lands sold,as per contra.	- - -	- - -	- - -
13. To special items(to be specified)			
(a) Books	7- 1- 0	29- 4- 0	36- 5- 0
(b) Public lamps	1612- 5- 9	- - -	1612- 5- 9
(c) Furniture	119- 7- 0	- - -	119- 7- 0
(d) Tools and Plant	1334- 9-11	151- 15-0	1486- 8-11
Total expenditure	115767-11-9	6771-15-5	1,22,539-11-2
To balance of capital account			92529- 10-2
Total ..			2,15,069- 5- 4

Sd.I.Raja Rao,
Commissioner.

Commissioner delegate.

(True copy)

R.A.Govelan

Senior clerk in-charge of the office of District Inspector of Local Fund Accounts, Bellary.

No. II CAPITAL ACCOUNT

For the year ending 31st March 1940.

	Receipts upto the end of the previous year	Receipts during the year	Total receipts.
1. By amount raised by loans.	2,14059- 5- 4	1010- 0- 0	2,15,069-5-4
2. By amount received as Government contribution	- - -	- - -	- - -
3. By value of lands belonging to authority appropriated for electrical purpose.	- - -	- - -	- - -
4. By value of surplus lands sold.	- - -	- - -	- - -
5. By other receipts (to be specified)	- - -	- - -	- - -
6. By amount transferred from net Revenue Account.	- - -	- - -	- - -
Total	214059- 5- 4	1010- 0- 0	2,15069-5-4

Sd. I. Raja Rao,
Commissioner.

R. A. Govindan (True copy)

Senior clerk in charge of the office of the District Inspector of Local Fund accounts Bellary.

Commissioner delegate.

10/12/40

9/12/40

13

III REVENUE ACCOUNT

For the year ending 31st March 1940.

Dr.			Cr.		
A Generation					
1. To Fuel	5677-4-0	5677-4-0	1. By balance from last account less bad debts written off	Nil Nil.	Nil
2. To oil waste, water and engine room stores.	1591-5-9	1591-5-9			
3. To proportion of salaries of engineers superintendents & officers.	1406-5-2	1406-5-2	2. By sale of energy for lighting purposes metered.	11204-2-0	
			Flat rate	394-6-0	11,598-8-0
4. To wages and gratuties	1476-8-0	1476-8-0	3. By sale of energy for power purposes ..		425-1-0
5. To repairs and Maintenance as follows.			4. By sale of energy under special contracts.	-	-
Buildings ..	-Nil-	-Nil-			
Plant ..	1310-10-2	1310-10-2			
(To special items to be specified)	- -	-	5. By Public Energy charges	6616-4-0	
6. To other items (to be specified)	- -	-	Maintenance and renewals	479-8-2	
					7095-12-2
B. Distribution			6. By rental of meters and other apparatus on consumers premises.		
1. To proportion of salaries of engineers, superintendents & officers.	1406-5-2	1406-5-2	Consumers..	1010-8-0	
2. To wages and gratuities	701-5-7	701-5-7	Street lighting	21-0-0	1031-8-0
3. To repairs maintenance and renewals of mains.	185-4-4	185-4-4			
4. To repairs maintenance and renewal of transforms etc.	- - -	- - -	7. By rents receivable	- - -	- -
			8. By service connections	- - -	874-3-0
5. To repairs, maintenance & renewals of meters, switches, cut outs & other apparatus on consumers premises.	- - -	- - -	9. By miscellaneous receipts from consumers.	- - -	- - -

14

No.III REVENUE ACCOUNT(continues)

B.F.

Dr.			Cr.	
C. Public lamps			10.By other receipts (to be specified)	45- 0- 0
1. To attendance and repairs..	160-13- 0	160-13- 0		
2. Renewals etc.	~~xxx~~	318-11-2		
D. Rents rates and taxes				
1. To rents payable.		- - -		
E. Management expenses				
1. To salaries viz, Engineer's Department		1875- 4- 8		
clerical department		488-14- 0		
2. General Establishment.		304-11- 0		
F. Law charges				
To law expenses		- - -		
G. Special charges				
To special items (to be specified) (seperate sheet attached)	270-11-6			
Service connections	715-14-0	986- 9- 6		
Total expenditure		7,889-15-6		
Amount carried to net revenue account.		3180- 6-8		
Balance carried to Next account to provided for bad debts.		Nil		
Total		21070- 0- 2		21070- 0- 2

Sd. I. Raja Rao,
Commissioner.

Commissioner delegate.

(True copy)

R. A. Gopalan
Senior clerk in Charge of the Office
of the District Inspector of Local
Fund Accounts, Bellary.

10/12/26

11/12/26

G. SPECIAL CHARGES(Specified)

Advertisement charges	..	68-15- 0
Section writers charges for writing up of energy bills .	..	7- 7- 6
Printing of Correction slips	..	2- 4- 6
Stationery and forms	..	145- 6- 6
Annual inspection fee of Electrical Inspector.	..	25- 0- 0
Fees for testing of Sub Standard Watt hour meter by Electrical Inspector	..	12- 0- 0
Cost of stamps for executing Agreement to I.S.D.	..	9- 0- 0
Money order Commission charges.	..	0-10- 0
		270-11- 6

Commissioner delegate.

11/12/w

No. IV Net Revenue Account
For the year ending 31st March 1940

To deficit from last account	1,29,944- 5- 5	1. By balance from last account	- Nil-
1. To interest on mortagage debt accrued due to date ..	3791-11- 0	2. By balance brought from revenue account (No. III)	3180- 0 -8
2. To instalments of principle of money borrowed	4232- 5- 0	3. By interest on money at deposit (securities deposit of consumers)	46- 0- 0
3. To amount transformed to capital account.	- - -	4. Receipts extraordinary received from general fund.	59610- 7- 9
4. To amount transformed to sinking fund where such fund is authorised.	- - -	5. By balance deficit.	75131-13- 0
5. To sum applied to local rate	- - -		
6. To income-tax paid	- - -		
Total	1,37,968-5-5	Total	1,37,968- 5- 5

Sd. I. Raja Rao,
Commissioner.

R A Gopalan (True copy)
Senior clerk in charge of the office
of the District Inspector of Local
Fund Accounts, Bellary.

Commissioner delegate.

10/12/40

18

No. V Sinking Fund Accounts

-Nil-

No.VI Reverse Fund Account

-Nil-

Sd.I.Raja Rao,
Commissioner.

(True copy)

Commissioner delegate.

District Inspector of
Local Fund Accounts
Bellary.

dr 10/12/12

11/12/12

No. VII General Balance Sheet

For the year ending 31st March 1940.

Liabilities			Assets.		
1. To capital Account amount received as per statement No. II		2,15,069-5-4	(1) By capital account amount expended for Works as per account No. II.		1,66,609-12-8
2. To sundry creditors Interest.		-			
3. To net Revenue Account at credit thereof.		-Nil-	(2) By stores on hand.		5929-14-6
4. To sinking fund account		-Nil-	(3) By Sundry debtors for current supplied to the end of the year		243-14-0
5. To reserve fund account.		-Nil-			
6. Security deposit of consumers.			By Municipal General funds for Public lighting energy charges & Meter rent.	6637-4-0	
Cash.	2124-8-0		Maintenance and renewals.	479-8-2	
Invested	1199-4-0	3323-12-0			7116-12-2
To service connection deposit of consumers (pendency adjustment)		240-12-0	(4) By other debtors (service connection charges to be recovered.)		37-3-0
8. To repay of loan to Kurnool District Board from Capital Balance.		92,529-10-2	(5) By securities as held (cost Price)		
			Security deposit of consumers Cash	2124-8-0	
			Invested.	1199-4-0	3323-12-0
			Service connections deposit of consumers (pending adjustment)		240-12-0
			Cash on hand		92,529-10-2
			(7) Debit balance from net revenue account.		75131-13-0
		301163-7-6			301163-7-6

R. A. Gopalan
Senior clerk in charge of the office
The District Inspector of Local Fund Accounts, Bellary.

(True copy)

Sd. I. Raja Rao,
Commissioner.

Commissioner delegate.

Statement of The Hospet Municipal Electricity Department

Energy -Generated, sold etc during the year 1939-40

Total energy generated in kilo-watt hours.	Kilo-watt hours sold					Kilowatt hours used on works	Kilowatt hours not accounted for.	Total Kilo-watt hours accounted for.	Kilo-watt connected for public lamps.	Total consumers connected.	Total kilowatts connected.	Plant installed kilowatts.	Maximum supply demanded in kilo-watts.	Remarks.
	Public lamps	By special constract.	Consumers by meter for lighting purposes.	Consumers by meter for power purposes.	Total									
1	2	3	4	5	6	7	8	9	10	11	12	13	14	
83251	26465	Nil	27042.5	12414	65921.5	8000.1	9329.4	73921.6	11.34	254	109.564	98.5KW	60 KW	

(True copy)

Sd. I. Raja Rao,
Commissioner.

Commissioner delegate.

10/12/40

11/12/40

District Inspector of Local
Fund Accounts,
Bellary.

G.F. 32 (2).

23/4

ELECTRICITY DEPARTMENT.

In reply, please quote number, date and short title.*

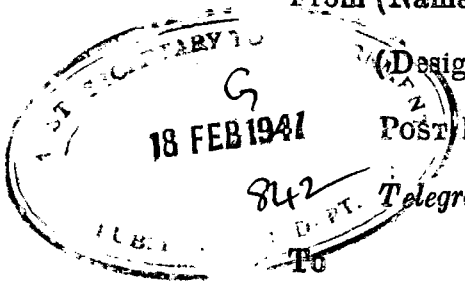
Received *Registered*

From (Name) Sri P.V. Chari, M.B.E., M.I.E.E.,

(Designation) Chief Electrical Inspector to Govt

Post Box , (Station) Triplicane, Madras.

Telegraphic Address



To

The Commissioner, Municipal Council,
Hospet.

A-No.20-39/40-159 dated 17th February 1941.

Sir,

Sub: HOSPET ACCOUNTS 1939-40.

ENCLOSURES

SPARE COPIES

I have the honour to state that two copies of the Audited accounts together with a copy of the Audit report have been received in this office for scrutiny direct from Government. The accounts are pending scrutiny for want of the Council's rejoinder to the Audit Report. Hence, I have the honour to request that a copy of the accounts together with a copy of the Audit report and Council's rejoinder (in duplicate) be forwarded to this office.

To AG

P.W Deptt

No action is called for on this. Examr. may be reminded on 12-4-41 if necessary for replies of md. cl. and his further remarks.

18/2 GS 18/2 GS 18/2

Chief Electrical Inspector to Government.

7.2.41

GS.

Copy to the Secretary to Government, P.W.D., Fort St.George, for information with reference to Endt.No.735-G/41-1 dated 12-2-41.

25

P.W. Dept

63/16/4

Memo. no. 735 G/41-2 dt 16-4-41

Electricity - Hospet Electric licence - Accounts for 1939-40

The Examiner of L.F. Accounts is requested to state whether the replies of the mil-cl to the audit report on the above accounts have been received and if so when they may be expected here with his further remarks.

16/4 16/4

The Examr. of L.F. Accts

17.6.41

ASST. SECRETARY TO GOVERNMENT
1 MAY 1941
1878
PUBLIC WORKS DEPT.

Examiner's Office.

LFNo.595
1-5-1941

Subject.- Electricity - Hospet Electric Licence - Accounts for 1939-40.

Reference.- Memorandum No.735-G/41-2,dated 16th April 1941

The replies to the Audit Report have been received from the Executive Authority recently and they are under scrutiny. They will be forwarded to Government with the remarks of this Department shortly.

Dy.Examiner of Local Fund Accts.

To

The Secretary to Government,
Public Works & Labour Department,
Fort St.George, Madras.

SB/3014

P.W.D

A.R. Will 20-5-41

Items 1 & 3 noted.

Items to ~~1 to 3~~ 4(1):-The Kurnool District Board has been addressed ~~x~~ you in the matter to pay back Rs.~~x~~ 18-3-0.

(4) (2) The sanction of the contract Committee has since been obtained in its resolution No. 85 dated 6-1-41, copy enclosed.

The objection may kindly be dropped.

4.(3) Out of Rs. 5-8-0 a sum of Rs. 1-8-0 has been recovered from one consumer in M.R.No.860 dated 22-1-41 and the balance of Rs. 4/- will be recovered from two other consumers and the same will be shown during the~~xx~~ next local audit.

Para 5. The Inspector of Municipal Councils and Local Boards has fixed the strength of the ministerial staff of the Municipal Office. But the strength of the staff relating to Electricity Department has not yet been fixed and the matter is pending with Inspector of Municipal Councils and Local Boards Madras. The appointment of an Electrical Accountant in the Commissioner's office to attend to Electricity accounts etc is included in the proposals pending with the Inspector of Municipal Councils and Local Boards. ~~Con~~ receipt the final orders from the Inspector the appointment of Electrical Accountant will be made and the ~~xxxxxxxx~~ accounting work relating to Electricity Department will be transferred to Commissioner's office.

5(b) The audit fee of Rs. 170-6-0 is credited into the Hospet Sub treasury in Ch.No.673 dated 15-3-41 to the credit of Provincial funds.

6. The specific sanction of the Council sanctioning the six estimates and also specifying the terms of repayment and the rate of interest will be obtained and shown during the next audit.

7.(a) The objection is noted for future guidance. The deposit register for the invested items also will be written up and will be produced at the next audit.

Action is being taken to invest the sum of Rs. 1124-8-0 in interest bearing securities.

(b) and(c) Para 2 of G.O.No.1250 dated 26th June 1937

30

states that security from consumers should be obtained in cash and interest paid there on at such rate as the Council may Therefore the interest payable on consumers' deposit will be a charge on the revenue of the undertaking.

The interest realized on investment is an income to the licensee. The payment of interest to the consumers on their deposits will have to be paid at 3 % per annum irrespective of the rate of interest earned by investment of security deposits of consumers.

The items(1) &(ii)were invested for 2 years where as the item No.(iii) was invested for 4 years. Hence the variation in the rate of interest. The council in its Resolution No.415/ 19--11-1937 sanctioned the investment of the consumers deposit, in the said manner.

not received here

p3 ante

8. Chief Electrical Inspector will be seperately addressed in the matter and on receipt of his reply the objection will be answe

pp3-4 ante

9.(a) and(b) The sanction of the contract Committee will be obtained and shown at the next audit.

p4 ante

10. The registers referred to will be maintained soon after the appointment of an electrical accountant.

9(iii)

11. The Chief Electrical Inspector to Government will be seperately addressed and reply will be given after obtaining his opinion in the matter.

4p4-5 ante

12. (a) and (b) The objections are noted. Necessary alterations will be done in the Licensees statutary accounts for 40-4

p5 ante

13.No.III. Revenue Account. :-The objection is noted . The alterations suggested will be brought into effect in the statutary accounts for 1940-41.

5 p5-6 ante

14.(a) and(b) The objections are noted . The necessary alterations will be done in the Statutary accounts for 40-41.

p6 ante

15, 16 and 17 :- Noted.

3/11

Commissioner delegate.

9/4/41

Copy of the Contract Committee Resolution No.85 dated 6-1-4

Read:-(1) Audit objection 5 of 1937-38 stating that the sanction of Contract Committee is required for the purchase of 72 Nos Neutral links which was paid in Vr.No.838/1-37.

(2) Note of the Electrical Engineer to sanction the above purchase.

Resolution:-Sanctioned.

Sd.M.V.Swamy
Sd.N.Chennaveeraiah.
Sd.I.Raja Rao.

/True copy/

Commissioner delegate.

3.4

Text of the Scarlet Resolution S.J.2 Under Consideration.

Resolution: Permit Report on Theories Into the Lobster Situation

Whereas it has come to the attention of the Lobster Situation

Whereas on

Resolution: Passed.

35

ASST. SECRETARY TO GOVERNMENT
G
3 MAY 1941
1915
PUBLIC WORKS DEPT.

L.F.M.D. 636
3-5-1941.

Examiner's Office.

Audit Report - Electric Accounts - Hospet Municipality - 1939-40 - Replies to.

Forwarded to the Secretary to Government, Public Works (Electricity) Department with copies of the Commissioner's replies and the resolution of the Council.

1938-39 audit
1933 audit

M.D. Shanbhag
Deputy Examiner of Local Fund Accounts.

SB
2/5

P.W dept

Endt. no. 7356/41-3 dt 5-5-41.

Forwarded to the chief Electrical Inspector to Govt. in continuation of Endt. no. 7356/41-1 dt 12-2-41 for remarks.

A64
6-5-41

Asst. Secretary to Govt

3/5 3/5

The chief Electrical Inspector to Govt.

3/5/41.

37

Office of the C.E.I.G.

Endorsement No.A.70/39-40/198 dated 11th August 1941.

Sub: Hospet Electric Licence - Accounts 1939-40.

Ref: P.W.D. Endorsement No.735-G/41-3 dated 5-5-41 and reminder dated 30-7-41.

G
13.AUG.941
3130

The accounts of the Hospet electrical undertaking for 1939-40 have been scrutinized and the following remarks are submitted:--

The accounts relate to the 5th year of operation.

No.II - Capital Account.

Rs.

It has been reported that the debit of 3769-3-5 against item 10 "To General Stores" represents the value of stores purchased ~~last~~ but remained unutilised at the end of the year under review. Similarly the sum of Rs.2,160-11-1 exhibited against item 10 - "To stores" under the column "Expenditure upto the end of the previous year" is stated to represent the value of stores left unutilised at the beginning of the year. The procedure adopted is not in order. The instructions issued in G.O.No.143 dated 25-1-37 regarding the accounting of stores transactions ~~should~~ be complied with. The defects now set forth, may be advised to be set right in the accounts for 1940-41.

No.III - Revenue Account. - The Municipal Council may be advised to adjust the maintenance charges on public lamps for the year 1938-39 in the accounts for 1940-41 in accordance with the instructions issued in G.O.No.Ms.2735 dated 7-12-40 since they do not appear to have been adjusted in 1939-40 accounts.

No.IV - Net Revenue Account. As reported by the Examiner of Local Fund Accounts in para 14 (a) of the Audit report for 1939-40, the transactions relating to the repayment of the loan taken from Kurnool District Board have been incorrectly exhibited. The Loan statement, the Capital account, the Net Revenue account and the General Balance Sheet, appear to need recasting and the Municipal Council may be advised to regularise this in 1940-41 accounts in consultation with the Examiner of Local Fund Accounts.

Audit report and Municipal Council's Rejoinder.

(i) Paras 5 (a), 5 (b), 7 (a), 7 (b), 7 (c), 12 (a), 13, and 14 (b).--

I agree with the Examiner of Local Fund Accounts. But the Municipal Council's reply may be accepted.

(ii) Para 6. - The Municipal Council's reply may be accepted. But I would refer to para 4 of this office No.A.56/39-40/184 dated 31-7-41 in connection with the Kodaikanal undertaking. A similar restriction appears necessary on future withdrawals in this case also.

(iii) Para 12 (b).- The cost of the books could be capitalised and depreciation allowed on them every year.

Chief Electrical Inspector
to Government.

11/8

To The Secretary to Government, Public Works Dept., Fort St.George (with enclosure).

P.W. Dept

Electricity – Hospet Electric licence – Accounts for 1939-40.

C no. 735 G/41 dt. 11-2-41 From the Exam. of L.F. Accts L.F. 77734 dt 11-2-41

L.F. 636 dt 3-5-41

-- the Ch. E.I.G. Endt. no. A 20/39-40/198 dt 11-8-41

To AS

Please see the audit report on the accounts for 1939-40 of the Hospet Electric licence on pp 1-6, the replies of the mul. cl. on pp 29-30 and the remarks of the Ch. E.I.G. on p 37 of c.f.

2. With reference to para 5 (ii) of the Ch. E.I.G's remarks it is submitted that in G.O. no. 1250 P.W.D dt 26-6-37 the mul. cls. were permitted to utilise the whole of the consumers' security deposits for capital works on the recommendation of the C.E. (E) The Ch. E.I.G. now recommends that at least 25 % of the deposits should be invested in Govt. or Trustee securities. In the case of Kodaikanal mul. cl. also he made the same recommendation and the L.A. Dept have noted in that file that it is desira to make the investment as recommend by the Ch. E.I.G. Therefore in this case als the recommendation may be accepted a

25th I.D

A

the mil. cl. advised accordingly.

3 The remarks of the Ch. E. & A. in lines 2, 3, 4 and 5(iii) may also be communicated to the mil. cl.

4 A draft order is put up. L.A Deptt may see before issue.

7/8. 27/8

28/8

28.8.41

L.A.

P.W.D. No. 735G/41-4.
28-8-41.

L. A. Deptt

The draft order may be perused and the case returned to PWD.

RM
29/8

30/8

MD

30/8

SECRETARY TO GOVERNMENT
24706
28 AUG 1941
PWD

L Auono 24706-IA1
308.41

ASST. SECRETARY TO G
G
1-SEP 1941
3638
PUBLIC WORKS DEPT.

Draft sent

T/S

C.F. 16.

P. W. Dept

DRAFT FOR APPROVAL.

	Date.	Initials.
When received for fair copying ..	24/11/41	
When copied ..		
When examined..		
When signed ..		
When despatched.		

SUBJECT :— Electricity - Hospet electric licence - Accounts for 1939-40 - Recorded with remarks.

READ AGAIN _____, dated _____ 19____

" " _____ " _____ 19____

READ *ALSO* :—

No. 735 G/41 From the Exam., of L.F. Accts. No. L.F. 7734, dated 11-2-1941

" _____ " ~~Do~~ " L.F. 636 " 3-5-1941.

" _____ " Ch. E. & G. " A.70/39-40/198 11-8-1941

~~Order~~ ~~Resolution~~ ~~Ms.~~ ~~Rout.~~ No. 2130, dated 2-9 1941

Recorded

2. No. II Capital Account

It has been reported that the amounts of Rs. 2,160-11-1 and Rs. 3769-3-5 exhibited against item "10 - 20/S Lines" represent the values of stores ~~which remained~~ left unutilised at the beginning of the year and the value of stores purchased during the year ~~under~~ and remained unutilised at the end of the year respectively. This exhibition of the amounts ~~has been done~~, is not in order. In accounting of stores the

instructions in G-O-no. 143 P-W-D dt 25-1-37 should be followed and the accounts for 1940-41 should be prepared accordingly.

3. No III Revenue Account

It appears that the mil-cl has not yet adjusted the maintenance charges on public lamps for the year 1938-39 as instructed in G-O no-2735 P.W-D dt 7-12-40. Necessary adjustments should be made in the accounts for 1940-41.

4. No. IV Net Revenue Acct

The transactions relating to the repayment of loan taken from Kurnool District Board have been incorrectly exhibited as pointed out in para 14(a) of the audit report. ~~Necessary corrections should be~~ made in the Loan Statement, the Capital Account, Net Revenue Account and the General Balance Sheet ~~for~~ of the year in connection with the accounts for 1940-41 in consultation with the Examr. of Local Fund Accounts.

(P.)

para 2 on p 37 C/.

pp 13-15 C/

para 3 on p 37 C/.

para 3(ii) of L460 (E)

p 17 C/.

para 4 on p 37 C/

This should be

5. Audit report and the mul-cl's. rejoinder.

Para 6. The municipal council is advised to invest at least 25% of the consumers' Security deposits in Government or Trustee securities.

Para 12(b) The cost of books may be capitalised and depreciation allowed on them every year.

27/8 27/8 22.8.41

DDA. 41. 28 8

The Commr., Hospet municipality through CMC.

The Ch. C. S. G. (2 copies)

The Examr. of L. F. Accts

Copy to L. A. Dept.

Government of Madras.

Rdceived.....1941. Registered.....1941.

Abstract.

Electricity - Hospital Electric Licence - Accounts for 1939-1940 - Recorded with remarks.

Public Works Department.

G.O.No.MS. 2130 dated 2nd September 1941.

Read :-

From the Examiner of Local Fund Accounts, No. L.F. 7736 dated 11th February 1941.
From the Examiner of Local Fund Accounts, L.F. 636 dated 3rd May '41.
From the Chief Electrical Inspector to Government, No.A.70/39-40/198, dated 11th August 1941.

O r d e r : --

R e c o r d e d

2. No. II Capital Account.

It has been reported that the amounts of Rs. 2160-11-1 and Rs. 3769-3-5 exhibited against item "10. To General Stores' represent the value of stores left unutilised at the beginning of the year and the value of stores purchased during the year and remained unutilised at the end of the year respectively. This exhibition of the amounts is not in order. In the accounting of stores the instructions in G.O.No. 143 P.W.D. dated 25th January 1937 should be followed and the accounts for 1940-1941 should be prepared accordingly.

3. No. III. Revenue Account.

It appears that the municipal council has not yet adjusted the maintenance charges on public lamps for the year 1938-1939 as instructed in G.O.No. 2735 P.W.D. dated 7th December 1940. Necessary adjustments should be made in the accounts for 1940-1941.

4. No.IV. Net Revenue Account.

The transactions relating to the repayment of loan taken from Kurnool District Board have been incorrectly exhibited as pointed out in paragraph 14 (a)of the audit report. The Loan Statement, the capital Account, the Net Revenue Account and the General Balance sheet seem to require recasting. This should be done in connection with the accounts for 1940-1941 in consultation with the Examiner of Local Fund Accounts

5. Audit Report and the municipal council's rejoinder.

Paragraph 6. The municipal council is advised to invest at least 25% of the consumers security deposits in Government

astee securities.

Paragraph 12(b). The cost of books may be capitalised and depreciation allowed on them every year.

(By order of His Excellency the Governor)

D.D.Warren,

Secretary to Gover

To the Commissioner, Hospet municipality throuvh Chairman, Municipal Council.

To the Chief Electrical Inspector to Government (2 copies)

To the Examiner of Local Fund Accounts.

Copy to the Local Administration department.

(True Copy)

F o r w a r d e d

(By order)

Superintendent.

jn.

S/c

C.F. 32.

In reply, please quote number, date and short title.*

MUNICIPAL DEPARTMENT.

SECRETARY TO GOVT. 18 SEP 1941 PUBLIC WORKS DEPT

Received *Registered* 3930

From (Name) Sri.P.B.Dutt, A.H.W.C.(Edin) A.M.I.E.E.(Lond)

(Designation) Commissioner delegate, Hospet Municipality,

Post Box ....., (STATION) ~~HOSPET.~~

Telegraphic Address .....

To

The Secretary to Government,
Public Works Department, MADRAS.

Thro'

The Chairman, Municipal Council, HOSPET.

C. *No.* ~~4531-41-ET~~ *Dated* 13-9-1941.

Sir,

ENCLOSURES.....

SPARE COPIES.....

* Sub:- Electricity - Hospet Electric licence Accounts - for 1939 -40 - replies to the remarks - submitted.

Ref:-G.O.No.Ms.2130 dated 2nd September 1941.

I beg to submit the following replies for the remarks received in the above Government order.

No.II Capital Account:-In accordance with the instructions issued in G.O.No.143 P.W.D. dated 25th January 1937 , the accounting of stores is done seperately under a suspense account in compiling the accounts 1940-41.

No.III.Revenue Account:-The adjustment required to be made for maintenance charges on public lamps for the year 1938-39 as instructed in G.O.No.2735 P.W.D. dated 7th December 1940, has come into effect under extra-ordinary receipt from General Funds vide item 4 of the (credit side)Net Revenue Account for 39-40. It was therefore thought that seperate adjustment was not necessary.

No.IV Net Revenue Account:-The alterations proposed in para 4 of the G.O. regarding the repayment of Kurnool District Board loan have been done in connection with the accounts 1940-41.

Forwarded 15.9.41

As advised in para 5 of the G.O. the Municipal Council has already invested more than 25 % of the consumers deposits in interest bearing securities.

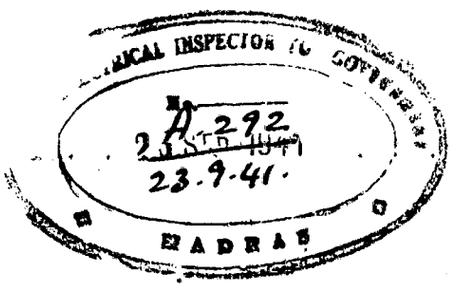
As advised in paragraph 5 of the G.O. the cost of books have been capitalised and depreciation on them will be allowed on its cost from 41-42.

P.B.Dutt 13/9/41

S.B.13.9. Commissioner delegate.

forwarded 18/9/41

copy to the Chief Electrical Inspector to Government
copy to the Examiner of Local Fund Accounts through the District Inspector of Local Fund Accounts Bellary



P. W. Deptt

Endt. no. 39306/41-1 dt 22-9-41.

Referred to the Chief Electrical Inspector to Govt. for remarks

for Asst. Secy. to Govt.

19/9 19/9

To

The Chief Electrical ... Inspector to Govt.

Note:- Reply ... section ... Para ...

19.9.

Office of the C.E.I.G.

Endorsement No.A-70/39-40/270 dated 25th Septr.1941.

Returned with the following remarks:--

Paras 2, 4, 5 & 6.- Replies may be accepted.

Para 3.- Reply may be accepted and the matter need not be pursued.

X The item should, however, have been correctly designated as "By amount recovered from general funds towards cost of attendance repairs, renewals etc. of public lamps."

Chief Electrical Inspector to Government.

26/9/41 (1)

To The Secretary to Government, Public Works Department, Fort St.George.

P.W.Deptt

GS. Please see the remarks of the C.E.I. to Govt. No further action seems called for on this. May be filed with G.O.No 2130 P.W.D. dt 2-9-41.

(S)

W 19/9

P.W.

T.M.

To

The Ch. E. I. G.

Chepauk

Hospet Electric licence - Accl for 1939-40 - G.O. 2130 P.W. Dt 2-9-41 - further remarks.

Ref:- Your Endt. no. A 70/39-40/25 Dt 25-9-41

In your remarks on the reply of the Md. that the adjustment required to be made for maintenance charges on Public lamps for 1938-39 has been made and shown as extraordinary receipt in the Net Revenue Acct for 1939-40, you have stated that the item should have been correctly designated as "Bye amount recovered from general funds towards cost of attendance, repairs, renewals etc. of public lamps." Will you please say whether the item as designated above be

o. III Revenue Account ~~of~~

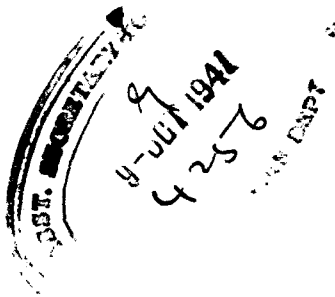
~~it~~ in no. IV Net Revenue Acct.

~~Hth you please say whether~~

~~it does presumption is correct~~

P. C 4 90

5



Post copy of Telephonic Message Dated 8th October 1941.

From the Chief Electrical Inspector to Government,
Triplicane, Madras,
To the Secretary to Government, Public Works Department,
Fort St. George.

No. A 70/39-40/291 Dated 8th October 1941.

Sub:- Hospet Electric Licence- Accounts for 1939-40.
Ref:- Post copy of telephone message dated 30-9-41.

With reference to the above, I have the honour to state that since the adjustment relates to the Revenue year 1938-39, the item should have been exhibited in No.IV Net Revenue Account for 1939-40 as a separate item designated as suggested in this office note. The matter however, need not be pursued.

Chief Electrical Inspector
to Government.

CNL/PB.

Memo. no. 3930 G/41 3 dt 14-10-41

Hospet Electric licence - Accounts for 1939-40 - G.O. 2130 P.W.D dt 2-9-41 - Further remarks.

Ref:. Letter from the Commissioner Hospet multy. C. no. 4531-41 dt 13-9-41

Recorded.

2. With reference to the reply to the remarks under no. III Revenue Account the Commissioner, Hospet municipality is informed that the item in the last Revenue Account should have been designated as "By amount recovered from general funds towards cost of standards, repairs, renewals etc. of public lamps."

16/10 10/10

11.x.41

Note:- L.A.D may see before issue. After issue this may be stitched with G.O. no. 2130 P.W.D dt 2-9-41.

10/10 10/10

11.x.41

To

The Commr., Hospet multy through C.M.C.
The Ch. E. E. G (W.r/t. his Endr. no. A 70/39-40/270 dt 25-9-41)

SECRETARY TO GOVERNMENT
11 OCT 1941
24652
LOCAL ADMINISTRATION DEPT.

P.W.D. no. 3930 G/41-2
11-10-41.

2

LB

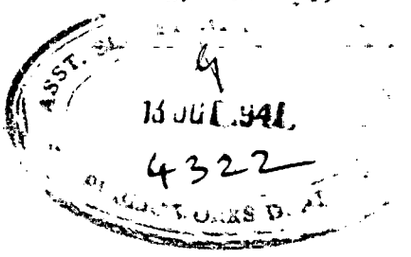
Maybe passed & forward

L-O.S. K 11/10 PWD

L. H.Q. No. 29652-1A

11-10-41

PW.8



Inma

13/10

16.X.41